

January 25, 2007

J. E. Blackburn Project Controls Manager Washington Closure Hanford 2620 Fermi Avenue Richland, WA 99352

FY2006 SUPPORT COST BY FUNCTIONAL ACTIVITY REPORT (SCFAR) WASHINGTON CLOSURE HANFORD PEER REVIEW

Dear Mr. Blackburn,

We have reviewed the Support Cost by Functional Activity Report (SCFAR) for Washington Closure Hanford (WCH) for FY 2006. The purpose of the review was to confirm that the data reported by WCH complied with the guidelines and definitions set forth by the Financial Management Systems Improvement Council (FMSIC).

Methodology used by WCH to compile the Functional Support Cost Report

The methodology utilized by WCH in preparing the FY 2006 SCFAR identified costs using Cost Accounts. Allocations, such as overhead, are stripped from the total actual cost to derive the net raw portion as required by the SCFAR guidance. The accounts are characterized in functional support cost elements or as mission direct based upon the primary service provided.

Implementation of Recommendations from Previous Peer Review
All recommendations appear to have been implemented from the last Peer Review.

Recommendations during the Peer Review

1. Cost Accounts ABTOR1 (B Reactor Tours) and ABTOUR (B Reactor Tours) were captured as Mission Direct in the amount of \$36K.

TEAM RECOMMENDATION: The team recommends these be reported in Outreach.

SITE RESPONSE: WCH agrees with this recommendation.

Accuracy Assessment

The Peer Review Team has concluded that WCH has met the intent of the guidelines and definitions and has achieved a level of accuracy at or above 90%.

We would like to thank Kelly Powelson for his help and support during the review.

Gregg Landon, Peer Review Team Lead

Idaho National Engineering & Environmental Laboratory

Angie Viner, Peer Review Team Support

BWXT Pantex Plant

J.E. Blackburn, Koject Controls Manager

Washington Closure Hanford

cc:

- J. T. Cambell, DOE-HQ
- D. Becker, FMSIC Chairman
- B. K. Morishita, FMSIC Executive Director
- W. Hudson, BWXT Y12
- K. Mamiya, DOE
- M. Davis, FH